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CIA linked to aircraft of contras

WASHINGTON (AP) — The CIA supplied three light, rocket-firing airplanes and a helicopter used in the September 1 air-ground attack by U.S.-backed rebels against a Nicaraguan military school that ended in the deaths of two Americans, according to intelligence sources.

While the U.S. government has denied connection with the two Americans who took part in the raid, the sources said the Central Intelligence Agency provided the aircraft over the past year to boost the firepower and mobility of rebels fighting the leftist Nicaraguan government.

Two sources also said a U.S.-built airfield at Aguacate, in northeast Honduras, was used to mount the raid on the military school at Santa Clara, 10 miles from the Honduran border.

In another development, congressional critics yesterday questioned whether the planes were supplied at little or no cost to the rebels, known as "contras," thus circumventing a \$24 million cap imposed by Congress on CIA spending for the covert war.

"The transfer of surplus military equipment at no cost to support contra operations would ... represent an outlay in excess of the CIA legal spending limit for such activities," Senator Jim Sasser (D, Tenn.) said in letters to the Defense Department and the CIA.

Senator Sasser also asked if the planes, lightweight O-2, aircraft, were the same as three O-2As declared surplus last December by an Air National Guard unit at Stewart Field in New York.

According to Pentagon documents, those three planes were transferred to a Defense Department project, code-named "Elephant Herd," and dropped from the Air Force inventory.

In his letters, Senator Sasser said Air Force officials have indicated the planes were turned over to "another government agency," with that agency paying only for title registration.

One source said the planes went to the CIA, were modified by Summit Aircraft Corporation in Delaware and then shipped to rebels of the Nicaraguan Democratic Force, known by its Spanish initials FDN. The source said the attack on the military school apparently was the first time the FDN had employed a combined air and ground assault.

Two other sources said the Hughes 500 helicopter Nicaraguan government forces shot down during the raid, killing two Americans and one rebel, also was supplied by the CIA.